

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1136 - HB 1856

March 30, 2011

SUMMARY OF BILL: Requires that all insurance carriers be subject to a tax of four percent and a surcharge of 0.4 percent on the "written manual premiums" rather than the "premiums" for each workers' compensation policy. Defines "written manual premium" as the premium produced by manual rates in effect during the insured policy period; as premiums prior to the application of any discounts or credits; and as premiums before any allowable deviated discounts, rate modifications, re-insurance, deductible arrangement, or dividend consideration.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- According to the Department of Treasury, there will be no impact on the state employee Risk Management Fund.
- Any impact on local government workers' compensation programs will not be significant.
- According to the Department of Commerce and Insurance, there will be no fiscal impact associated with changing "premium" to "written manual premium" or defining "written manual premium."

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "James W. White".

James W. White, Executive Director

/jaw

SB 1136 - HB 1856